



**RECORD OF DELEGATED DECISION (OFFICER)**

**CONTRACT AWARD**

<b>1. Decision Reference No.</b>	<b>PH086</b>
<b>2. Decision made by</b>	<b>Councillor Margaret Glancy Portfolio Holder for Governance, Environment &amp; Regulatory Services &amp; Deputy Leader</b>
<b>3. Name and job title of Officer requesting the decision</b>	<b>Chris Flannery Housing Asset Manager <a href="mailto:cflannery@melton.gov.uk">cflannery@melton.gov.uk</a></b>
<b>4. Title / Subject Matter:</b>	<b>Award of Contract – Upgrade and Annual Service of Digital TV Aerials</b>
<b>5. Type of Decision:</b>	<b>Public</b>
<b>6. Key Decision?</b>	<b>Yes</b>
<b>7. Decision Taken:</b>	<ol style="list-style-type: none"><li>1. To award the contract for television aerial upgrades and maintenance to the preferred supplier through the EEM Framework</li><li>2. To enter into any necessary documentation to effect the award</li></ol>
<b>8. Reasons for Decision:</b>	<p>This contract has been procured to provide the Council with a competent contractor able to undertake television aerial upgrades and the ongoing maintenance in properties that have a share aerial system.</p> <p>The current aerial system was installed over ten years ago and there is no ongoing maintenance contract in place. This means that the system is now obsolete and does not offer tenants a full range of services. The lack of an ongoing maintenance contract means that repair response times are not always in line with our expectations.</p>

This contract includes for the upgrade of all of our communal aerial systems. This will be a hybrid system that is a stand-alone satellite system providing freeview, digital radio and the provision to subscribe to Sky, Sky HD and Sky Q without any additional works. This system will offer the following benefits over the current one:

- Less components so more reliable – the proposal includes a full replacement of a single system instead of a retro-fit side by side system.
- Less disruption to residents due to minimal cabling work.
- Increased fire safety due to minimal cabling work.
- Less power consumption and reduced socket need.
- Free 5G mitigations for future proofing.

This aids the service to deliver the Council’s corporate priority ‘To provide high quality council homes and landlord services’.

Although the initial installation cost is higher than the normal annual contract spend, the annual payments from year onwards on are much smaller. A comparison of costs over the 30 year business plan is set out below:

Current contract cost:

£28k x 30 years = **£840k**

New contract cost (allowing for a second upgrade in fifteen years):

£147k x 2 (install costs) = £294K

£5k x 24 years (estimated maintenance budget)= £120k

Total cost = **£414K**

**30 year saving (excluding inflation) = £426k**

Although there is a large increase required in the 2023/24 budget, this project will represent a significant saving over the course of the thirty year business plan. This helps us meet the objective set out in the business plan of increasing the headroom available for investment in other priority areas.

It should also be noted that the lower annual costs will result in a reduction in service charges for tenants.

The contract is for a fixed period, with a total value of £147,375. It has been procured through the EEM Framework (EEM0039 Digital Aerials Framework). The selected contractor is first placed on the framework for this region and have provided similar electrical services for the council on other projects. On the basis of past performance, and their position of the framework, it is proposed to continue to use the same contractor for the next phase.

The supplier has been procured in compliance with the contract procedure rules, and all necessary due diligence has been carried out by the Council Officer.

**9. Authority / Legal Power:**

Legal – See below

**10. Background Papers attached?**

**No**

## 11. Alternative options available / rejected:

1. There is no other option other than to upgrade the system as it is obsolete and we are out of our servicing contract.

## 12. Implications:

<b>Legal</b>	<p>The Council has the power to enter into contracts in order discharge its functions (Local Government Act 1972, s111 and the Local Government (contract) Act 1997, s1).</p> <p>The Local Government Act 1972 requires the Council to have regulations for how it enters into contracts. In addition to complying with all relevant UK and EU legislation every contract entered into on behalf of the Council must also comply with the Council's Contract Procedure Rules and the Council's Financial Regulations</p> <p>The Council's Contract Procedure Rules permits Chief Officers, subject to complying with EU requirements, to authorise participation in a framework agreement where it can be shown that the framework:</p> <ul style="list-style-type: none"><li>• Offers value for money,</li><li>• Offers single savings in the cost of procurement</li></ul> <p>If the above criteria is satisfied, entering a framework agreement will reduce the risk of challenge for the Authority</p> <p>[Legal Approval 12 June 2023]</p>
<b>Finance</b>	<p>The additional budget required for this scheme has been approved under CEX316. This is therefore now available, funded by the reserve under the relevant delegation.</p> <p>[Finance Approval 12 June 2023]</p>
<b>HR</b>	N/A
<b>Procurement</b>	<p>Discussed with officer though process, happy this is compliant and use of direct award is good value</p> <p>[Procurement Approval 12 June 2023 MF]</p>
<b>Other</b>	<p>The following checks have been carried out in relation to the contract provider:</p> <ul style="list-style-type: none"><li>- Financial credit checks</li><li>- Insurance certificates</li><li>- Health and safety policies</li></ul>

13. <b>Signature of Officer with authority to sign</b>	Email approval received <b>Michelle Howard</b> Director for Housing & Communities & Deputy Chief Executive
14. <b>Officer Responsible for Procurement:</b>	<b>I confirm compliance with the Contract Procedure Rules</b> Name: Chris Flannery
<b>Date: Call In Waived by Scrutiny Committee Chair?</b>	N/A
<b>Has this been discussed by Cabinet Members?</b>	No
<b>Cabinet Portfolio Holder Signature</b>	Email approval received <b>Councillor Margaret Glancy</b> Portfolio Holder for Governance, Environment & Regulatory Services & Deputy Leader
<b>Declarations/conflict of interest?</b>	-

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